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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT CALIFORNIA OF SAN FRANCISCO DIVISION**

In re:
PG&E CORPORATION
-and-
PACIFIC GAS AND ELECTRIC
COMPANY,
☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

Case No.: 19-30088 (DM)

Chapter 11
(lead case)
(jointly administered)

**MOTION TO ALLOW/DEEM
TIMELY LATE FILING OF
PROOF OF CLAIM BY Cindy
Murphy, MEMORANDUM OF
POINTS AND AUTHORITIES;
DECLARATION OF REGINA
BAGDASARIAN IN SUPPORT**

Date: TBD
Time: TBD
Place: United States Bankruptcy Court
Courtroom 16, 17th Floor
San Francisco, CA 94102

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1 TO THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY COURT
2 JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, AND ALL INTERESTED
3 PARTIES:

4 Frantz Law Group, APLC represents thousands of victims of the Fires started by PG&E
5 in 2017 (generally referred to as the “North Bay Fires”), 2018 (“Camp Fire”) and 2019
6 (“Kincade Fire”). Frantz Law Group, APLC respectfully files this motion on behalf of Cindy
7 Murphy (“Movant”) to deem timely late filing of proofs of claims (“Motion”).

8 I. SUMMARY OF ARGUMENT

9 A proof of claim may be deemed timely upon a showing of excusable neglect and lack of
10 prejudice. In this case, due to a variety of stressors arising from the Camp Fire, the impact of the
11 Dixie Fire, as well as a misunderstanding as to the legitimacy of their claims, Movants were
12 unable to timely file their proof of claim. Because there is no danger of prejudice to the Debtors
13 as Debtors’ estates are solvent, and all creditors stand to be paid, the Motion should be granted to
14 allow these survivors to have their claim deemed timely. This Court must determine whether to
15 grant the Motion.

16 II. FACTUAL BACKGROUND

17 Movant, Cindy Murphy, is a Camp Fire Survivor. Movant lost her son four months after
18 the fire. The horror of burying her child consumed her with grief for many years. Movant needed
19 to stay strong for her family, and she was preoccupied with dealing with the aftermath of her
20 sons unexpected death at the young age of 37. The grief that accompanies losing a child suddenly
21 is unlike anything Movant had experienced. Movant made a concentrated effort to focus on her
22 family, however, both physically and emotionally, Movant was still feeling the effects of the fire.

23 Movant was consistently told she did not have a claim because her house did not burn
24 down completely. Being that this was Movant’s first experience retaining an attorney or filing a
25 claim, she simply took the attorney’s advice, although it was false. After the Movant was told she
26 did not have a claim, she sought out other methods of trying to survive after the fire. She went to
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1 her Church for water and food. Following the fire, Movant suffered from PTSD and depression.
2 Movant has been unable to feel physically or financially safe since the fire.

3 Movant was misinformed about the law and was so preoccupied with her family issues
4 that she put off thinking about the fire until she sought legal advice from Frantz Law Group.
5 Accordingly, FLG filed a claim on behalf of Movants. A true and correct copy of the Subject
6 Proof of Claim is attached to the Declaration as Exhibit "1."

7 III. LEGAL ARGUMENT

8 In Chapter 11 proceedings, bankruptcy courts have broad discretion to accept late
9 filings, including proofs of claim, where tardiness is the consequence of "excusable neglect."
10 Fed. R. Bank. Pro. 9006(b)(1). This standard is "flexible," and permits the Court to allow "late
11 filings caused by inadvertence, mistake, or carelessness, as well as by intervening
12 circumstances beyond the party's control." *Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd.*
13 *P'ship*, 507 U.S. 380, 389 (1993). Where the party's delay is caused by overwhelming personal
14 distress, a late filing may be allowed on grounds of excusable neglect. See e.g., *In re Nw.*
15 *Territorial Mint, LLC*, No. AP 16 1217-CMA, 2018 WL 6187762, at *5 (B.A.P. 9th Cir. Nov.
16 27, 2018) ("Excusable neglect can include sudden death, disability or illness of counsel, a close
17 family member of counsel, or . . . the party."); *In re Schultz*, 254 B.R. 149, 154 (B.A.P. 6th Cir.
18 2000) (same); *TCI Group Life Ins. Plan v. Knoebber*, 244 F.3d 691, 699 (9th Cir. 2001)
19 (excusable neglect where party was experiencing extreme personal difficulties and was
20 "distraught") (overruled on other grounds); *Comm. for Idaho's High Desert, Inc. v. Yost*, 92
21 F.3d 814, 824 (9th Cir. 1996) (holding that "compelling circumstances" in one's personal life
22 may constitute excusable neglect).

23
24 The test for excusable neglect is "at bottom an equitable [inquiry]." *Pioneer Inv. Servs.*
25 *Co.*, 507 U.S. at 395. Courts in the Ninth Circuit generally examine four (4) factors in their
26 analysis: (i) the danger of prejudice to the non-movant, (ii) the length of delay and its potential
27 impact on the judicial proceedings, (iii) the reason for the delay, and (iv) whether the movant
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1 acted in good faith. See *id.* Each of these four factors weighs heavily in favor of Cindy Murphy.
2 Accordingly, their late proof of claims should be deemed timely.

3 In our present case, there will be no prejudice to PG&E by the Movant's claim. The value
4 of the Movant's claims is marginal relative to the Debtors' estates and the allowance of those
5 claims will not disrupt the reorganization or distribution process. Debtors' estates are solvent,
6 and all creditors stand to be paid. See, e.g., *In re Best Payphones, Inc.*, 523 B.R. 54, 75-6 (Bankr.
7 S.D.N.Y. 2015) and *In re Sheehan Mem'l Hosp.*, 507 B.R. 802, 803 (Bankr. W.D.N.Y. 2014)
8 (where the chapter 11 estate is solvent, "the proper remedy for a late filing is not the
9 expungement of a claim, but its allowance as a tardily filed claim only.).

10 Second, despite the late filing, the Movant's claim will have essentially zero impact on
11 the judicial proceedings and will not change PG&E's reorganization process. There are tens of
12 thousands of similarly situated claimants as the Movant, whose claims will be placed among
13 them, resulting in no noticeable impact upon the distribution process. See e.g., *In re Dix*, 95
14 B.R. 134, 138 (B.A.P. 9th Cir. 1988) (allowing proof of claim filed two-years late because
15 "there is no indication [of] a negative impact on efficient court administration"); *In re Earth*
16 *Rock, Inc.*, 153 B.R. at 63 (finding excusable neglect where eight-month delay would not
17 impact reorganization proceedings).

18 Third, the factual circumstances in the Movant's claim warrants excusable neglect. As
19 explained above, the Movant was grieving the loss of her son and making a concentrated effort
20 to focus on her family. Movant suffers daily with her feelings after the fire, and Movant was also
21 constantly told she does not have a valid claim. Movant also struggles from post-traumatic stress
22 disorder as a result of the fire. Post-traumatic stress disorder symptoms may start within one
23 month of a traumatic event, but sometimes symptoms may not appear until years after the event.¹
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28 ¹ Post-traumatic stress disorder (PTSD) - Symptoms and causes, Mayo Clinic (July 6, 2018),
www.mayoclinic.org/diseases-conditions/post-traumatic-stress-disorder/symptoms-causes/syc-20355967.

1 These symptoms cause significant problems in social or work situations and in relationships.²

2 They can also interfere with a person's ability to go about their normal daily tasks.³

3 PTSD symptoms can vary in intensity over time. Someone may have more PTSD
4 symptoms when they are generally stressed, or when they come across reminders of a traumatic
5 event they experienced.⁴ In terms of wildfire victims, many feel stress, anxiety and panic when
6 they smell even the slightest smoke, because it triggers a traumatic memory of their experience.
7 Some even wake up multiple times at night to make sure there is not a fire nearby. In the present
8 case, Ms. Murphy was not only dealing with the aftermath of the fire, but the loss of her son only
9 four months after the fire.
10

11 Another common symptom of PTSD is avoiding things that remind someone of the event.
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13 ⁵ For wildfire victims, this can include putting off filing a lawsuit in order to try to move on from
14 the traumatic event. Unfortunately, for these types of wildfire victims, years later, they come to
15 the realization that it is not possible to simply start over after the fire. A lot of wildfire victims
16 have lost their homes, everything they own, their jobs, and their community. With a limited or no
17 income at all, most wildfire victims are unable to rebuild and move on as they were trying to do.
18 Similarly, here, Movant was told she did not have a claim, so she decided to try to move on and
19 do whatever she can. As a result, due to excusable unawareness, the Movant did not timely file a
20 proof of claim for their 2018 damages until after the bar date. See e.g., Comm. for Idaho's High
21 Desert, Inc. v. Yost, 92 F.3d 814, 824 (9th Cir. 1996) ("compelling circumstances" in one's
22 personal life may constitute excusable neglect). After realizing the legitimacy of her claims and
23 how difficult it is to start over, Movant contacted Frantz Law Group, APLC to evaluate their
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26 ² *Ibid.*

27 ³ *Ibid.*

28 ⁴ *Ibid.*

⁵ About Face booklet (va.gov)

1 claim. During the normal course of due diligence, Frantz Law Group, APLC inquired about
2 possible damages from the 2018 Camp Fire.

3 It would be unfair for the plaintiff to not be able to file her claim. Although her house
4 did not burn down, that does not mean she did not suffer. Claimant, like all other wildfire
5 survivors, endured great trauma. Importantly, the Movant's claim was made in good faith.
6 Movant struggled with the loss of her son. The aftermath of the fire caused the Movant to
7 struggle mentally, physically, and emotionally. Due to Movant's misinformation about the law,
8 she did not understand the legitimacy of her claims which resulted in the Movant not filing a
9 claim in time. Had Movant been properly informed that she could still file a claim even though
10 her house didn't fully burn down, or even aware of the bar date, Movant would have timely
11 filed a proof of claim.
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14 IV. CONCLUSION

15 For the foregoing reasons, this Motion should be granted, and Cindy Murphy's claim
16 should be deemed timely.
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18 Dated: March 15, 2022

By: /s/ James P. Frantz
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Declaration of Regina Bagdasarian

I, Regina Bagdasarian, declare as follows:

1. I am an individual over 18 years of age and competent to make this Declaration.
2. If called upon to testify, I could and would competently testify as to the facts set forth in this Declaration. The facts set forth below are true based on my personal knowledge or through information obtained my staff.
3. I am an attorney of the law firm Frantz Law Group, APLC and I make this declaration in support of the Motion to Allow/Deem Timely Late Filing of Proof of Claim.
4. Creditor Cindy Murphy is a survivor of the Camp Fire that occurred in 2018.
5. Cindy Murphy resided at 14767 Denise Dr. Magalia, CA 95954.
6. Cindy Murphy did not file a claim sooner because she was misinformed about her standing; she was told she did not have a claim since her house wasn't a total burndown.
7. Cindy Murphy was misinformed about the legitimacy of his claims.
8. On October 8, 2021, Cindy Murphy retained FLG.

I declare under penalty of perjury that the foregoing is true and correct. Executed on March 15, 2022.

/s/

Regina Bagdasarian

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/s/ 
Regina Bagdasarian

EXHIBIT 1

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Part 2: Give Information About the Claim as of the Date this Claim Form is Filed

7. What fire is the basis of your claim? Check all that apply.	<input checked="" type="checkbox"/> Camp Fire (2018) <input type="checkbox"/> North Bay Fires (2017) <input type="checkbox"/> Ghost Ship Fire (2016) <input type="checkbox"/> Butte Fire (2015) <input type="checkbox"/> Other (please provide date and brief description of fire: _____)
8. What are the loss location(s) where you and/or your family suffered harm? (e.g. home or business address, place of injury, place from which you were evacuated, if different?)	Location(s): 14767 Denise Dr. Magalia, CA 95954.
9. How were you and/or your family harmed? Check all that apply	<input checked="" type="checkbox"/> Property Damage (homes, structures, personal property, land, trees, landscaping, and all other property damage) <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Renter <input type="checkbox"/> Occupant <input type="checkbox"/> Other (Please specify): _____ <input checked="" type="checkbox"/> Personal Injury <input type="checkbox"/> Wrongful Death (if checked, please provide the name of the deceased) _____ <input type="checkbox"/> Business Loss/Interruption <input checked="" type="checkbox"/> Lost wages and earning capacity <input checked="" type="checkbox"/> Loss of community and essential services <input type="checkbox"/> Agricultural loss <input checked="" type="checkbox"/> Other (Please specify): <u>Any and all other damages recoverable under California law.</u>
10. What damages are you and/or your family claiming/seeking? Check all that apply	<input checked="" type="checkbox"/> Economic damages (including replacement cost of damaged property, diminution in value, loss of use, lost inventory, lost profits, and other economic damage) <input checked="" type="checkbox"/> Non-economic damages (including loss of society and support, loss of consortium, pain and suffering, emotional distress, annoyance and discomfort, and other non-economic damage) <input checked="" type="checkbox"/> Punitive, exemplary, and statutory damages <input checked="" type="checkbox"/> Attorney's fees and litigation costs <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Any and all other damages recoverable under California law <input type="checkbox"/> Other (Please specify): _____
11. How much is the claim?	<input type="checkbox"/> \$ _____ (optional) <input checked="" type="checkbox"/> Unknown / To be determined at a later date

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- ☐ I am the creditor.
☒ I am the creditor's attorney or authorized agent.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 05.15.22 (mm/dd/yyyy)

Signature

Print the name of the person who is completing and signing this claim:

Name	<u>James P Frantz</u>		
	First name	Middle name	Last name
Title	<u>Attorney</u>		
Company	<u>Frantz Law Group, APLC</u>		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	<u>402 W BROADWAY STE 860</u>		
	Number	Street	
	<u>SAN DIEGO</u>	<u>CA</u>	<u>92101</u>
	City	State	ZIP Code
Contact phone	<u>855-735-5945</u>	Email	<u>WILDFIRES@FRANTZLAWGROUP.COM</u>

Instructions for Proof of Claim (Fire Claim Related)

United States Bankruptcy Court

You may have a claim against the Debtors for monetary loss, personal injury (including death), or other asserted damages arising out of or related to a fire. You should consider obtaining the advice of an attorney, especially if you are unfamiliar with the chapter 11 process and privacy regulations.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both.
18 U.S.C. §§ 152, 157 and 3571.

How to fill out this form

- **Fill in all of the information about the claim as of the date this claim form is filed.**
- **If the claim has been acquired from someone else, then state the identity of the last party** who owned the claim or was the holder of the claim and who transferred it to you before the initial claim was filed.
- **For a minor child, fill in only the child's initials and the full name of the child's parent or guardian.** For example, write *A.B., a minor child (John Doe, parent)*. See Bankruptcy Rule 9037.
- **You may but are not required to attach supporting documents to this form.**
Supporting documents will be gathered, maintained, and provided at a later date as instructed by the Court. If you do attach documents, you should attach redacted documents as supporting documentation will be made publicly available and will not be kept confidential. *See* the definition of *redaction* of information below.
- **Do not attach original documents because attachments may be destroyed after scanning.**
- **Question 3.** Members of a family may but are not required to file a proof of claim as a family but may, if they choose, submit individual claim forms for each family member that has a claim against the debtors.

- **Question 9.** If you suffered property damage, then provide the street address of each real property parcel where you suffered property damage. If you were personally evacuated as the result of a fire, then provide the address or intersection closest to where you encountered the fire and began evacuation. If you suffered property damage and were evacuated from a different location, include both. If you were a renter, provide the address of your residence.
- **Question 10.** This question requests general statements of underlying facts relating to harm and is not intended to be exhaustive or preclusive.
- **Question 11.** You are not required to include a claim amount with your proof of claim. Providing a claim amount at this time is optional.

Confirmation that the claim has been filed

To receive confirmation that the claim has been filed, enclose a stamped self-addressed envelope and a copy of this form together with the original. You may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <https://restructuring.primeclerk.com/pge>.

Understand the terms used in this form

Claim: A creditor's right to receive payment for a debt that the debtor owed on the date the debtor filed for bankruptcy. 11 U.S.C. § 101 (5). A claim may be secured or unsecured.

Creditor: A person, corporation, or other entity to whom a debtor owes a debt that was incurred on or before the date the debtor filed for bankruptcy. 11 U.S.C. § 101 (10).

Debtor: A person, corporation, or other entity who is in bankruptcy. In this instance, PG&E Corporation and Pacific Gas & Electric Company.

Information that is entitled to privacy: A *Proof of Claim* form and any attached documents must show only the last 4 digits of any social security number, an individual's tax identification number, or a financial account number, only the initials of a minor's name, and only the year of any person's date of birth. If a claim is based on delivering health care goods or services, limit the disclosure of the goods or services to avoid embarrassment or disclosure of confidential health care information. You may later be required to give more information if the trustee or someone else in interest objects to the claim.

Proof of claim: A form that shows the creditor has a claim against the debtors on or before the date of the bankruptcy filing (in these cases, January 29, 2019). The form must be filed in the district where the case is pending.

Redaction of information: Masking, editing out, or deleting certain information to protect privacy. Filers must redact or leave out information entitled to **privacy** on the *Proof of Claim* form and any attached documents.

Offers to purchase a claim

Certain entities purchase claims for an amount that is less than the face value of the claims. These entities may contact creditors offering to purchase their claims. Some written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court, the bankruptcy trustee, or the debtor. A creditor has no obligation to sell its claim. However, if a creditor decides to sell its claim, any transfer of that claim is subject to Bankruptcy Rule 3001(e), any provisions of the Bankruptcy Code (11 U.S.C. § 101 et seq.) that apply, and any orders of the bankruptcy court that apply.

Please send completed Proof(s) of Claim to:

If by first class mail:

PG&E Corporation Claims Processing Center
c/o Prime Clerk LLC
Grand Central Station, PO Box 4850
New York, NY 10163-4850

If by overnight courier or hand delivery:

PG&E Corporation Claims Processing Center
c/o Prime Clerk LLC
850 Third Avenue, Suite 412
Brooklyn, NY 11232

You may also hand deliver your completed Proof(s) of Claim to any of the following service center offices (beginning July 15, 2019 through the Bar Date (October 21, 2019) during the hours of 8:30 a.m. – 5:00 p.m. Prevailing Pacific Time):

Chico Service Center
350 Salem Street
Chico, CA 95928

Marysville Service Center
231 "D" Street
Marysville, CA 95901

Napa Service Center
1850 Soscol Ave. Ste 105
Napa, CA 94559

Oroville Service Center
1567 Huntoon Street
Oroville, CA 95965

Redding Service Center
3600 Meadow View Road
Redding, CA 96002

Santa Rosa Service Center
111 Stony Circle
Santa Rosa, CA 95401

Photocopy machines will not be available at the Claim Service Centers; you must bring a photocopy of your Proof of Claim if you wish to receive a date-stamped copy.

Do not file these instructions with your form
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